

SMARTimber Co-operative Ltd

Author

Gib Wettenhall

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Co-operative Federation of Victoria Ltd



Chairman of SMARTimbers Andrew Lang is the great great grandson of John Lang Currie, one of the pioneers who introduced sugar gum to the Western District of Victoria. With his daughter Eleanor in a sugar gum plantation on their property 'Titanga.'

Marketing sustainably sourced family farm timbers

Many farmers and small-scale landholders are growing a wide range of wonderful native trees and shrubs to bring back the bush, a sense of balance and in some instances new income opportunities.

In central Victoria, farm foresters have combined to set up a co-operative, SMARTimbers, to market small quantities of their unique eucalypts and wattles, casuarinas or cypress, for high quality furniture or appearance products.

"Their interest in long term, careful management of their farm's plantation or forest resource is implicit in the co-op's full name – Sustainably Managed Australian Regional Timbers," explains SMARTimbers field officer John Reed, who has an NRM background, a forest science degree and has specialised in farm forestry establishment and management over the last six years.

SMARTimber's initial focus is on sugar gum (*Eucalyptus cladocalyx*) a South Australian species, which for over 100 years has been grown by farmers as a plantation species in Victoria's Western District, providing shelter for stock and some 40,000 cubic metres of firewood annually. Much underrated as a speciality timber, John's brief is to pursue value adding opportunities in furniture, flooring, decking and veneer for sugar gum, as well as seeking out prospective members who own sugar gum plantations.

Niche market approach

SMARTimbers has arisen out of a \$50,000 marketing study undertaken by the Central Victorian Farm Plantations Inc (CVFP), the private forestry development committee covering central west Victoria. The study identified an opportunity for the region's small-scale landholders to combine and market native hardwood speciality timbers to architects, interior designers and furniture manufacturers. Sugar gum was seen as the local species with the greatest potential for taking advantage of a value added, niche market approach.

SMARTimbers chairman is Andrew Lang, a fifth generation Western District farmer, whose great great grandfather John Lang Currie was one of those who first trialled sugar gum back in the 1880's.

"We want to raise sugar gum from a lowly firewood species to become the 'belle of the ball' as a premium, high quality timber," says Andrew. "Not only does sugar gum cut a fine figure, but it is also easy to machine, has high strength and density, and a Class 1 durability rating."

Sugar gum is one of the few native hardwood species that can be found in mature form in Australian plantations. Sugar gum's suitability to low rainfall areas also means it has valuable environmental benefits for the arid zone, which makes up 70% of Australia's land mass.

The co-op has produced a technical information sheet on sugar gum for clients and has been featured on ABC TV's Landline program. Ideal for outdoor applications and in situations requiring a hard wearing surface, architects have already placed orders for sugar gum decking, which provides a gross return of approx.. \$2,000 per cubic metre. Projected returns for flooring are even higher at \$3-4,000 per cubic metre. And SMARTimbers is currently undertaking trials on producing veneer from sugar gum, which promises the highest level of returns – up to \$14,000 per cubic metre – as well as the most efficient use of the timber.

In contrast, the stumpage for sugar gum logs paid by firewood harvesters to Western District landholders, ranges from \$5-20 per cubic metre. While it is true that the co-op's projected returns for decking, flooring and veneer all involve harvesting, haulage, storage, handling and processing costs, the net returns for those co-op members willing to make the investment show every prospect of, at least, doubling returns to landholders.

Advantages of aggregation

“Operating alone, a landholder can expect little more than a low stumpage return at harvest time,” says Andrew. “Membership of a co-operative achieves economies of scale by aggregating members’ wood and non-wood products within a single desk marketing structure.”

SMARTimbers is putting in place a chain of custody that will ensure the delivery of a quality assured product. A series of strategic alliances is being established between the co-operative and other like-minded, small scale, local processors, ensuring that control is maintained over quality, while boosting job creation in regional areas. SMARTimbers has just completed a kiln drying feasibility study, which recommends establishing a joint venture in association with a local sawmill.

SMARTimbers is undertaking a survey of Western District farmers in an effort to identify the number of interested farmers and the volume available for producing millable sugar gum for value added products.

Members of SMARTimbers will be able to take advantage of group certification guaranteeing that their plantations or forest are sustainably managed. This offers a significant competitive advantage, highlights John: “While timber is one of the few renewable material resources, people are increasingly concerned about whether or not the timber they buy can be traced back to a well-managed plantation or forest.”

The co-op is taking part in a group certification pilot project managed by consultants URS Forestry as part of the introduction of the Australian Forestry Standard.

Instituting an Environmental Management System (EMS) plan for each member’s plantation or woodlot will become a condition of membership of SMARTimbers.

“We will offer training and support, enabling best practice management of either plantation or farm forest,” points out John.

“Most native farm trees never rise above becoming a post, pole, pallet or woodchip, yet so many of them have an unrealised potential – like sugar gum – for significant value adding.”

“Over and above value adding, SMARTimbers is dedicated to treating Australian farm trees with the respect and care they deserve.”

For further information, contact **John Reed** on **1300 360 368** or by email: info@smartimbers.com.au

Media release - [Growers can do better out of sugar gum, claims co-op](#),
30 July 2003

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